Innovations in Government

INNOVATIVE GOVERNANCE IN THE 21ST CENTURY

GOWHER RIZVI
Series editor

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Innovations in Government

Research, Recognition, and Replication

Sandford Borins

editor

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The "Kennedy School School" of Research on Innovation in Government

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This chapter seeks to position the "Kennedy School school" of research on innovation in government[1] in the context of two broader, though different, literatures: public administration literature and mainstream organization studies literature. Kennedy School school research has many virtues, but these do not include extensive intellectual engagement with other scholarly traditions. Situating the literature in a broader context will help us appreciate both its contributions and its limitations, while also helping to suggest an agenda for future research.

When one reads the Kennedy School school literature on innovation in one fell swoop, what is most noteworthy about it is that it presents an overall approach to public management, not just an account of public-sector innovation. That approach has several elements. First, it focuses on public-sector performance improvement as the key question for public management. Second, it

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1. I characterize this literature in the first instance as research supported by the Innovations in American Government Program and using award winners as some or all the empirical basis for the work. The "Kennedy School school" includes literature by Kennedy School faculty at the time of writing (Altshuler, Barzelay, and Moore) and scholars at other institutions at the time of writing (Bardach, Behn, Borins, Golden, Levin, Sanger). One important book supported by the Innovations program that I do not discuss here at any length is Eugene Bardach (1998), probably the best work on interorganizational collaboration in government, but somewhat out of the mainstream, in terms of topic, of other work from the Kennedy School school.

identifies excessive orientation to constraints, and on rules and clearances that reflect those constraints, as crucial impediments to innovation and, hence, performance improvement. Third, it defends a creative—that is, innovation-promoting—role for career public managers. Finally, it sees the energy and mission orientation of public officials as crucial drivers of the innovation that occurs in government, despite impediments to it.

The first theme is that organizational innovation is less encouraged in the public than the private sector (Behn 1997), for reasons orthogonal to the account that is standard in the public-choice-style literature to the effect that because government organizations are monopolies, there is less pressure on them to perform well in general—where "so-called public servants have a captive market and little incentive to heed their putative customers" and where, therefore, citizens are "subject to endless exploitation and victimization" by bureaucrats (Savas 1982, pp. 134–35); this theme that more generally has not been emphasized in Kennedy School writing on public management. Instead, innovation is less encouraged for two reasons. First, "People in government fear nothing more than newsworthy failure. . . . When new initiatives fail—and inevitably a large proportion do—they become highly newsworthy, with a focus on who is to blame. In such cases, the 'standard practice' defense is unavailable" (Altshuler 1997, p. 39). Second,

> A deep ambivalence typically exists about the idea of encouraging civil servants . . . to seek better means of pursuing public purposes. Innovation requires discretion, and the dominant tradition of U.S. administrative reform has been to stamp out bureaucratic discretion. The roots of this tradition lie in the country's constitutional heritage, which assigns the highest priority to keeping government power in check and firmly rooted in popular sovereignty. Within the framework of this heritage, the two primary sources of legitimacy for public action are preexisting law and (for those who would enact new law) electoral victory. Permanent bureaucracies, which never stand for election . . . should be closely supervised by elected officials and held accountable for strict adherence to precisely drafted laws.

Out of these two premises grows a system for managing in the public sector centering on extensive use of rules and hierarchical clearances, which hurts innovativeness in particular and public performance in general. This is a central theme in Michael Barzelay (2002), the empirical material for which was based on a 1986 winner of an Innovations in American Government Award: a program in Minnesota, called Striving Toward Excellence in Performance, which sought to improve the performance of central overhead agencies such as those doing purchasing, hiring, and the motor pool by making them customer

funded, often involving customer choice to choose a private provider, and by separating control from customer-service activities. Alan Altshuler and Robert Behn (1997) argue that in the traditional model, more rules and controls, rather than innovation, are seen as the remedy for performance deficiencies. Barzelay presents the traditional system of public management, which he calls the "bureaucratic paradigm," as having been seen by its Progressive-era promoters as simultaneously a way to promote good performance and also to prevent evils such as corruption and favoritism. They believed it would promote good performance because they accepted a Tayloristic account of organization that promoted development of "the one best way," enshrined in a rule (or standard operating procedure) for the best way to do a job, along with a Fayolesque belief in the efficiency of clear chains of command; they believed it would ensure that constraints against bad things happening were respected because it removed room for individual discretion that could be abused. Barzelay's "post-bureaucratic paradigm," by contrast, calls on organizations to be structured around maximizing value produced for the organization's customers. He argues that doing so requires more attention to innovation and less to rules: "A bureaucratic agency sticks to routine. A customer-driven agency modifies its operations in response to changing demands for its services" (Barzelay 2002, p. 8). Barzelay doesn't so much denounce the traditional focus on rules as much as suggest caution about it (p. 131):

> From a post-bureaucratic angle, arguments premised on existing rules and procedures should be greeted with a reasonable degree of skepticism. Arguments premised on rules should be challenged and the issue reframed in terms of achieving the best possible outcome, taking into account the intention behind the rules, [and] the complexity and ambiguity of the situation. . . . In this way, problem solving rather than following bureaucratic routines can become the dominant metaphor for work.

A similar theme appeared, more dramatically, in Martin A. Levin and Mary Bryna Sanger (1994), the first book to appear that was based on the experiences of a large group of innovation award winners. "Bureaucratic routines, with their formal rules and procedures, developed to ensure accountability, also suppress the legitimate exercise of executive initiative" (p. 11). Levin and Sanger, slightly differently from Altshuler and Barzelay, argue that rules and hierarchy privilege constraints over accomplishments. In this environment, Levin and Sanger honor the "bureaucratic entrepreneur," one with a "bias for action" (they cite Peters and Waterman 1982). They praise "creative subversion" of the rules (p. 14) and, citing Gifford Pinchot III's (1985) pop management tome *Intrapreneuring: Why You Don't Have to Leave the Corporation to Become an Entrepreneur* and the famous example of the development of Post-it notes inside 3M

(along with Nike's ad slogan), subtitle a section of one of their chapters "Circumvent Formal Rules and Regulations: Just Do It!" (p. 222). They argue that oversight to prevent unethical or inappropriate behavior is the responsibility of the top executive leadership in the organization.

The second part of the overall Kennedy School approach to public management involves a defense of the legitimacy of the participation of unelected public managers in the political process of choosing valuable ends for their organizations to pursue, as opposed to the notion that such choices are the job of "politics," and that nonelected officials should limit themselves to "administration." The key argument for this view is in Mark Moore (1995), probably the best-known work of the Kennedy School school, which was supported by the innovations awards program though it does not specifically discuss any innovations award winners.

Moore starts with an empirical reality: senior managers face ambiguity in deciding how to lead their organizations, and, "Importantly, the ambiguity [concerns] *ends* as well as means" (p. 62; emphasis in original). But he moves from empirical reality to normative claim: managers should, as part of an overall strategy for leading their organizations, nominate and seek to gain political support for ideas about how best to use their organization's assets. His argument on behalf of this idea is actually surprisingly brief: "managers' knowledge of the distinctive competence of their organization," along with "what they are learning through their current operations about the needs of their clients and potential users," legitimate this role (p. 75). Moore contrasts this view with a "classic tradition" in public administration scholarship according to which managers need not pay attention to "questions of purpose and value or . . . the development of legitimacy and support," because "these questions have been answered in the development of the organization's legislative or policy mandate" (p. 74). Moore argues that his conception "elevate[s] public sector executives from the role of technicians, choosing from well-known administrative methods to accomplish purposes defined elsewhere, to the role of strategists, scanning their political and task environments for opportunities to use their organizations to create public value." Also, and important from an innovations perspective, it "changes their administrative job from assuring continuity and efficiency in current tasks to one of improvising the transition from current to future performance" (p. 76).

Another topic the Kennedy School school literature addresses is the public-sector innovation process itself. The first contributions to this strand in the literature are Robert D. Behn (1988) and Olivia Golden (1990). In research supported by the innovations awards program and partly based on ET Choices, a Massachusetts employment and training program that was a 1986 innovations awards finalist, Behn developed the idea that innovations are initiated by managers "groping along." Rather than innovations resulting from "strategic planning" by

means of a process of working backward from where they want to be in the future to where they are now, the objective is to develop a policy, an "'optimal path,' for getting from here to there" (p. 647). To do this, managers undertake "a sequential process of adaptation in pursuit of a goal. The manager tries some approaches, achieves some successes, adapts the more successful approaches, and continues to pursue his goal" (p. 657). Golden examined all the innovation award winners for 1986 (the first year of the program) to see which they followed more closely: a strategic planning or a "groping along" approach. Her findings supported the "groping along" model: innovations did not typically begin with legislation; the innovative idea was "rarely fully present at the beginning but develop[ed] through action"; most of the innovations "were characterized by rapid implementation instead of extended planning"; and the innovations changed considerably after first launch. The distinction between "strategic planning" and "groping along," again with support for "groping along," also appears in Levin and Sanger (1994). However, the larger sample-size analysis in Sandford Borins (1998) provides less support for the "groping along" view: he codes 59 percent of the innovations as "closer to the comprehensive planning pole," and 30 percent "closer to the groping pole" (p. 52).[2]

How, then, is innovation possible in the public sector, given the disincentives? Behn (1997, p. 49) suggests that people who are motivated to innovate are "driven by mission associated challenges and internalized professional norms" (see also Kelman 1987; Bardach 1998). Borins (1998) has a noteworthy finding when the question posed is *who* the source of the innovation was (rather than what circumstances provided the impetus for it). The largest group (48 percent) of innovations came from career civil servants at or below the agency head level (23 percent came from the agency head, 18 percent from an elected official); Borins characterizes these career civil servants as "local heroes" and states (p. 38) that he was surprised enough at this finding so that it served as the title of his book. It is natural to assume, though Borins does not explore this, that these people were driven in their efforts to innovate by mission orientation and public spirit.

2. Borins's study of the development and implementation of innovative programs is the most careful piece of scholarship the Kennedy School school has produced. He examines 217 of 350 Innovations applications that achieved at least semifinalist status between 1990 and 1994, a large enough sample to permit statistical analysis. (Other categories, such as non-semifinalist applicants, were eliminated because of resource constraints.) He devotes some attention (pp. 13–15) to issues of the representativeness of the sample, although unfortunately he devotes only brief attention to the exclusion of noninnovative organizations or to unsuccessful innovation efforts, and the analysis did not take advantage of the opportunity to test for distinctions among semifinalists, finalists, and winners. Borins's data come from a fixed-response survey of respondents for each of the semifinalists; all data therefore are self-reported.

Another obvious answer to the question of how innovation is possible in the public sector is organizational crisis—the organization is in deep trouble and has no choice—an answer, revealingly, often made for the private sector as well (Kotter 1996). On the basis of respondent self-reports, Borins (1998) reports that the impetus for 30 percent of the innovations came from a "crisis or publicly visible failure," a number he (I think rightly) regards as interestingly low, although the impetus for another 49 percent was reported to be various kinds of internal problems with the organizational status quo that fell short of the level of crisis.[3]

The Kennedy School school makes a number of pathbreaking contributions. The most important is to provide significant weight behind a performance turn in government and in the study of public management. Second is its serious consideration of the political context of public management.

Kennedy School school work should be seen as an instance of what I have elsewhere (Kelman 2007a) called the "performance turn"—the view that improving public-sector performance is the most central issue in public management—in public-sector research and, even more important, in public-sector practice.[4] This is a crucial development in public management practice and theory. If one is not satisfied with the current level of public-sector performance, some kinds of innovations (or at least organizational changes) will be required to improve performance, though of course this does not mean that any proposed innovation automatically should be supported as a source of performance improvement. So the association between concern with public-sector performance and concern with innovation is a natural one.

There is, similarly, a natural connection between concern with innovation and interest in the political role of nonelected public managers. It is when innovations are being proposed that would rejigger an organizational status quo that the political role of public managers in gaining support for such changes comes out clearly, whereas during everyday organizational business as usual, managers' political role may be obscured.

Because of their pioneering nature, the best-known products of Kennedy School school innovation research are quite well known within the world of academic public administration and public management (even if the Kennedy School school has not returned the compliment by linking to others). The citation count in Google Scholar for the two most-cited works in the field of innovative government, those by Moore (1997) and Barzelay (2002), is very high:

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3. Multiple responses were allowed for this question, so the total for Borins's various categories was greater than l00 percent.
4. This section is based on Kelman (2007a).

390 and 334, respectively; the third most-cited work, Bardach (1998), also has a large number of citations, 158. To be sure, these works are not mainly cited as works about innovation or in research about innovation or organizational change (even in research on the public sector, and not at all in work on innovation or change in the larger world of organization studies), but they have received considerable scholarly attention nonetheless.

But the Kennedy School school literature also has important weaknesses that limit its usefulness, especially in an era when it is time to continue to move forward along the paths the school first pioneered. Perhaps the best way to think of the contribution of this literature is as having opened up new lines of inquiry and thought and having generated many interesting hypotheses. But now, the Kennedy School school has stagnated. It needs to face up to its limitations—limitations that were always present but were less important, or perhaps less obvious, when it was breaking new intellectual paths—if it is to continue to contribute to better public management research and practice.

A first thing to note about the Kennedy School school literature is that it is remarkably self-referential. The two lead essays in the Altshuler and Behn (1997) collection, *Innovation in American Government,* are Altshuler's "Bureaucratic Innovation, Democratic Accountability, and Political Incentives" and Altshuler and Mark Zegans's "Innovation and Public Management" (1997). The former contains thirty-eight scholarly references (not counting government reports, articles in the general press, and nonacademic books), of which twelve are by Kennedy School faculty, four are by other Harvard faculty, and two are by the scholar who sponsored the innovations program at the Ford Foundation, so that the total of one-half the references comes from a very narrow circle.[5] Six of seven Altshuler and Zegans references are from these categories of source. Of fifty-four scholarly references in Borins (1998), twenty-four are by Kennedy School faculty (including innovations awards program–sponsored research) and four are by other Harvard faculty. The Kennedy School school is quite disconnected both from other literature in public administration and from mainstream literature in organization studies, much of which is by scholars trained in social psychology or sociology who are working at business schools.

Furthermore, most of the Kennedy School school research literature is distant from the frontiers of contemporary social science methodology. One particularly serious problem that is particularly prevalent in this literature is so-called best practices research using only successful innovations (in particular, innova-

5. This includes one book by non–Kennedy School faculty but sponsored by the Innovations in American Government Program.

tion award winners) as the empirical material for the research.[6] This creates a problem with "selection on the dependent variable" (Lynn 1996). This is a fancy name, but the intuition about the nature of the problem is straightforward. If you choose only successes and find that they did a, b, and c, you really can't conclude from this that a, b, and c caused the innovation to succeed, because for all you know, failed innovations did a, b, and c as well.

It is remarkable how little the Kennedy School school literature is connected to the academic literature on organizational change or on diffusion of innovation—two areas that, unfortunately, also are insufficiently connected (Kelman 2007a). A striking example is the Paul Berman and Beryl Nelson paper (1997) on replicating innovations in the Altshuler and Behn collection (1997), which cites none of the voluminous literature on diffusion of innovation in organization theory or political science. "Groping along" from Behn and Golden has long intellectual antecedents in the work of Charles Lindblom (1959, 1965) and in Karl Weick's work on "small wins" (1984).

The isolation of the Kennedy School school from larger debates in mainstream organization studies, or even in the specific field of public administration, is partly the intellectual equivalent of bad manners. Even if other literature hypothetically added nothing to the findings coming from the Kennedy School, it seems intellectually arrogant to assume in effect that others have little to teach one, that every wheel one invents has never been invented before. Beyond the bad manners, locating the Kennedy School school contribution in a larger context of a "performance turn" in public-sector management practice and scholarly work serves actually to amplify its importance.

Furthermore, at the time the first generation of Kennedy School research was being written in the 1990s, the scholarly quality of much work done by those identifying themselves with the public administration tradition had been rather poor, but a younger generation of public administration scholars has become much more sophisticated methodologically (see, for example, Heinrich 2000; Brown and Potoski 2003, 2006; Heinrich and Fournier 2004; Hill 2006; Bertelli 2006; Bertelli and Feldman 2007), as have the leading journals in the field such as the *Journal of Public Administration Research and Theory*. Kennedy School research has mostly failed to keep up with these methodological improvements, which is embarrassing and suggests that Harvard is now falling behind evolving research standards in the field.

Finally, locating the work of the Kennedy School school in the broader context of other scholarly research, especially in organization studies, provides both

6. This problem is noted by Borins in his introduction (chapter 1 of this volume).

additional insights on issues this work raises and additional questions for research on innovation.

The Kennedy School Literature and the "Performance Turn" in Government

A starting point for the performance turn is a view that government underperforms because, compared with business firms, it pays less attention to performance in the first place. All organizations have both *goals* and *constraints* (Wilson 1989, chapter 7; Simons 1995).[7] Goals are *results* an organization seeks—for firms, profit, market share, or customer satisfaction. For the Environmental Protection Agency a goal is improved air quality; for the National Cancer Institute, a better understanding of cancer. Constraints are *limits* on the acceptable behavior of organizations or their members, even behavior meant to contribute toward meeting goals.[8] For firms, constraints include respecting accounting rules, not dumping toxic wastes, and not kidnapping competitors. For agencies, constraints include that officials not take bribes or lie to the public, that citizens be treated fairly and due process be respected, and that there be accountability to the public for agency actions.

Since constraints often embody important ethical values such as respect for persons, honesty, and integrity, they should not be seen as unimportant for any organization. At the same time, organizations (or individuals) about which it can be said only that they have respected constraints would typically not be judged successful. Imagine a journalist who during a long career never revealed a source or fabricated evidence—but who had never uncovered a good story. Or imagine a company that had never cooked its books, but also had never succeeded in making a sale. Furthermore, organizations (or individuals) that need to focus significant energy on ensuring that constraints are respected are not normally considered successful, because that energy is unavailable for goal attainment. Instead, a healthy organization (or individual) is one where constraints are taken for granted. If an individual needs to spend hours each day worrying about how he or she will avoid murdering others, that individual is unlikely to be successful at achieving substantive goals. We seldom think of "don't kidnap your competitors" as a constraint for firms, because we take the constraint for granted. (But consider Russia in the early 1990s—a place where this couldn't be taken for granted, with society consequently in bad shape.)

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7. James Q. Wilson uses the term tasks to describe what I call goals, and Robert Simons uses the phrase boundary systems to describe what I call constraints.

8. In linear programming or economics one often speaks of maximizing goals subject to constraints.

In the world of practice, firms almost always focus in the first instance on achieving their goals: a business that doesn't do this won't stay in business. However, a central fact about the practice of government, in most times and places, is that in the environment in which government operates, closer to the opposite is true—governments must in the first instance focus on paying attention to constraints; a failure to do so often inflicts the same pain that failing to attend to goals inflicts on a firm (Wilson 1989, p. 115). This is so for several reasons. First, in government, goals are often controversial (Should affirmative action be required? Should free trade be pursued?), but "everybody can agree" that it's wrong to lie or show favoritism. This makes constraint violation an easier story for the media or opposition politicians to tell. Second, goal achievement is not fully under agency control and occurs over time, whereas constraint violation is immediate. Third, pursuing goals is about "maximizing good government," whereas respecting constraints is about "minimizing misgovernment" (Gregory 2003, p. 564, quoting Uhr); many have such limited aspirations for government that reducing misgovernment is all they ask—a standard for success that firms would find incomprehensible.[9] Fourth, agency accountability is a central value in a democracy. This focus is a constraint, since it is only about process and says nothing about results.

All organizations should seek to maximize attainment of goals while respecting constraints. For firms, goal focus increases the probability that they will perform well, but also the risk that they will ignore constraints—the Enron problem (Schweitzer, Ordóñez, and Douma 2004). For government, the problem is less that constraints are violated (although the way the media cover government may produce the misimpression of common misbehavior) than that government performs poorly—the Katrina problem. Traditionally in government, the tail wags the dog—constraints loom larger than goals, inhibiting good performance.

The importance of constraints is tied to dominance of bureaucratic organizational forms in government, since rules and hierarchy are important control tools. As Herbert Kaufman (1977, p. 4) famously noted, "One person's 'red tape' may be another's treasured procedural safeguard." Hierarchy, combined with rules developed at the top so that those lower down are merely executing directives, also fits into the desire to subordinate unelected officials to political control

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9. More broadly, greater attention is paid in government to mistakes than to achievements. Even in the 1920s, Leonard D. White (1926, pp. 243–44) observed that public officials perceive that "whenever we make a mistake, some one jumps on us for it, but whenever we do something well nobody pays any attention to us. We never get any recognition except when we get 'bawled out.'" A half century later, Derek Rayner, the CEO of the British department store Marks & Spencer, brought into the British government under Margaret Thatcher, noted that in government (quoted in Hennessy 1989, p. 595) "Failure is always noted and success is forgotten."

(Warwick 1975). If one cares about minimizing misgovernment rather than maximizing good government, one will be disinclined to grant officials discretion. As Theodore Roosevelt stated a century ago (quoted in White 1926, p. 144), "You cannot give an official power to do right without at the same time giving him power to do wrong."

Over the past twenty years, what Donald Kettl (2005, p. 1) calls "a remarkable movement to reform public management" has "swept the globe." Christopher Hood (1991) labeled this the "New Public Management"; in the United States it came to be known as "reinventing government." The movement originated with practitioners, initially most in the United Kingdom, New Zealand, and Australia. It has sought public-sector self-renewal, a break from the preoccupation with constraints in favor of a drive to improve performance. In the United Kingdom, management reforms came from Margaret Thatcher and were part of an anti-government conservative ideology, though Tony Blair continued and deepened reform after Labour came to power in 1997. In New Zealand and Australia, reforms were introduced by left-of-center governments. In the United States, reform grew out of the Clinton-Gore effort to reposition Democrats away from their traditional role as standard bearers of "big government," while simultaneously endorsing a positive government role. Just as the Kennedy School literature has been critical of the impact of bureaucracy on government, so, too, has one central theme in public management reform efforts been debureaucratization.

Some public administration scholars have aligned themselves with the performance turn. However, a disturbing proportion, likely a majority, of the field, particularly in the United Kingdom, has reacted with cranky skepticism or downright hostility, often displaying nostalgia for good old days of a public sector that did not need to concern itself with pesky performance demands. The three editors of the journal *Public Administration Review,* serving when New Public Management emerged, all took a negative view of it. The field's two most recent handbooks (Peters and Pierre 2003; Ferlie, Lynn, and Pollitt 2005) have been predominantly critical.

In the public administration literature criticizing the performance turn, a conscious defense of the primacy of constraints over goals emerged in close association with what frequently was referred to as "traditional" public administration values. Donald Savoie (1994, p. 283) worried about "rejecting traditional public-administration concerns with accountability and control, and giving way to the business-management emphasis on productivity, performance, and service to clients." Thus, the bane of government is presented as a virtue, and "performance" itself is presented as a negative word. Beryl Radin boldly titled a recent (2006) book *Challenging the Performance Movement.*

Embracing constraints, the critics reject reformers' attacks on bureaucracy. Peter Du Gay, in *In Praise of Bureaucracy* (2000), lauds bureaucracy for promoting constraints while demeaning the significance of performance goals that bureaucracy might hinder. Du Gay extols bureaucracy for being "ordered, cautious," and terms such as "probity" and "reliability" abound. By contrast, New Public Management advocates judge agencies for "failure to achieve objectives which enterprise alone has set for it" (p. 87), presumably performance and cost consciousness. "If the rule of law is to be upheld and there is to be a system of accountability within government the hierarchy becomes the crucial link between ministers and the decisions taken in their name by their numerous subordinates in the field" (Peters and Wright 1996, p. 632). Guy Peters (2001, p. 200) muses about "a return to the bureaucratic Garden of Eden."

Sometimes the tone of the anti-performance literature is lackadaisical, displaying the opposite of the urgency about performance that reformers seek, evoking the atmosphere of a gentleman's club. Du Gay (2000, pp. 92–93) belittles "a 'can do' approach to the business of government," and derides the "dangers that the demand for enthusiasm pose" to the traditional role of civil servants as advisers who, without displaying commitment, present ministers with options and emphasize pitfalls of proposals. The Kennedy School literature argues that commitment to agency mission is an important source of motivation for innovation in government. But du Gay (p. 129) mocks the effort of one senior civil servant "to ensure that her staff were infused with a discernible sense of 'mission.'"

The sad result has been that, "unlike in the transition to the twentieth century," when public-sector reform was "led by the Progressives and orthodox public administration," current transformation efforts have proceeded "largely without intellectual or moral support from academia" (Kettl 2002, p. 21). Perhaps the most important contribution of the Kennedy School school of innovation research is as an important participant in that movement. But this has been largely self-unacknowledged. It is interesting, and troubling, that Kettl doesn't notice the contributions of the Kennedy School literature. Scholarly supporters of the performance turn needed, and need, help.

The Kennedy School Literature and the Politics versus Administration Dichotomy

Here the problem is basically what I earlier called intellectual bad manners, rather than anything more serious. Mark Moore's *Creating Public Value* especially may fairly be criticized for presenting a cartoon version of a public administration embracing the 150-year-old Wilsonian dichotomy between "politics"

(the job of the elected official) and "administration" (the job of the nonelected manager). The criticism of public administration scholarship in *Creating Public Value* is misplaced: the field deserves to be criticized for its lack of focus on performance, but not for its unwillingness to see public managers engaged in the political process.

In fact, attacking the politics-administration dichotomy became a major theme in public administration following World War II. Participation of unelected officials in the political process was a major element in P. H. Appleby (1949) and in a widely noted essay by John Gaus (1950) called "Trends in the Theory of Public Administration," in the tenth-anniversary edition of *Public Administration Review,* which concluded with the flourish, "A theory of public administration means in our time a theory of politics also." Most important, a version of this theme—increasing democratic participation in administration— was central to Dwight Waldo's influential attack on the founders of public administration in *The Administrative State* (1948).[10] The so-called "Blacksburg Manifesto" scholars of the 1980s expressed strong support for an active political role for career officials, albeit using language that sounds, perhaps intentionally, dated and stilted:

> The popular will does not reside solely in elected officials but in a constitutional order that envisions a remarkable variety of legitimate titles to participate in governance. The Public Administration, created by statutes based on this constitutional order, holds one of these titles. Its role, therefore, is not to cower before a sovereign legislative assembly or a sovereign elected executive [but rather] to share in governing wisely and well the constitutional order [Wamsley 1990, p. 47].

The fretting about applying business metaphors to public management on the part of critics of the performance turn has occasioned resurrection of the politics-administration dichotomy in the context of concern about the idea that public managers should behave like "entrepreneurs." Larry Terry (1993; see also Terry 1990) titled a *Public Administration Review* article "Why We Should Abandon the Misconceived Quest to Reconcile Public Entrepreneurship with Democracy." Savoie (1994, p. 330) states, "Bureaucracy is designed to administer the laws and policies set by elected politicians, and as a result, authority delegated to career officials must be handled bureaucratically in order to accept direction." In an unfortunate passage, Peters (2001, p. 113) maintains, "It is not clear that in systems of democratic accountability we really want civil servants to be extremely creative."

10. Somewhat later this became a theme in political science as well (see, for example, Lowi 1969; Aberbach, Putnam, and Rockman 1981; Gruber 1987).

The Kennedy School School and Mainstream Organization Studies

In this section a number of the research questions raised by the Kennedy School school literature will be discussed in the context of research in mainstream organization studies and public administration.

Innovation, Organizational Change, and Performance

From the beginning of the program there has been some discussion and even tension regarding the Innovations in American Government Awards about just how new and novel a change needed to be to become an award winner. The award criteria have always required novelty. A program that successfully executed a change within an organization that could not be considered novel—say, achieving a customer-orientation focus in an organization traditionally lacking one—would not be eligible for an award, even if achieving the change both was difficult and made a large difference in improving the value the agency provided the public.

   If one sees innovation and noninnovative organizational improvement as simply additive, this criterion is not a problem: innovation, encouraged by the awards program, makes its contribution to government performance improvement, and general organizational improvement makes its additional contribution. There is, however, an influential strand in contemporary organization theory, associated originally with James March (1999, chapter 7), that suggests that these two sources of performance improvement may be in conflict. March contrasts "exploitative" and "exploratory" learning in organizations. Exploitative learning involves getting better at one's current activities; March associates exploitative learning with words such as *refinement, implementation,* and *execution.* Exploratory learning involves looking for new possibilities; he associates it with such words as *search, risk taking, experimentation, discovery,* and (notably) *innovation.*

   The dilemma arises because it is hard for organizations to be good at both kinds of learning. Both March and the authors of a good deal of the follow-on literature to March's original paper seem above all to be afraid that exploitative learning will drive out exploratory learning. As March notes, the payoff to exploratory learning is more uncertain than to exploitative learning because so many innovations fail, and in the short term, while the organization is transitioning to new ways of behaving, performance will often actually decline. In a business context, existing products are typically more profitable, initially, than most new products; furthermore, new products may cannibalize existing ones (as online newspapers have cannibalized print), leading to internal organizational opposition to investing in them. In this case, one would need to look for

ways to protect the space in government organizations for innovations, for reasons over and above the list of obstacles to innovation in government the Kennedy School literature enumerates. But March notes that one may also imagine the opposite danger, an organization innovating so often that it never stabilizes production long enough to gain the benefits of exploitative learning. In a public-sector context, one could argue that because innovation is so difficult and requires such extraordinary organizational energy, managers might typically be advised to concentrate on exploitative learning and not even try for exploratory learning.

To cope with the exploitation-exploration trade-off, Michael Tushman and Charles O'Reilly (see, for example, 2002) have introduced into the organization-theory literature the concept of "ambidexterity." They suggest that ambidexterity be created through separate units within an organization, one promoting exploitation of existing products, the other exploration for breakthrough new products. Senior managers would be in charge of overseeing both kinds of operations. (This could also be done with temporary teams.) But it is hard to see how this kind of organization could readily be pursued in a typical government context—one can hardly, say, keep an existing social services organization to provide children's services and develop a parallel organization to provide a new form of the same services. (Although having said that, it is common in government to assign new missions to new organizations rather than counting on an existing organization effectively to produce the new mission; the practice goes back to the New Deal. Arthur M. Schlesinger [1959, p. 534] writes that "Roosevelt felt that the old departments, even with new chiefs, simply could not generate the energy and daring the crisis required. . . . The new agencies simplified the problem of reversing direction and correcting error." However, this is different from using a new organization to provide, say, innovative ways to deliver an existing service.) Another possibility is for organizations to pursue a kind of "punctuated equilibrium" approach (Romanelli and Tushman 1986; Gersick 1991),[11] where long periods of organizational constancy characterized by exploitative learning are punctuated by short bursts of revolutionary change, characterized by exploratory learning.

One possible relationship between innovation and overall organizational performance would be a contingency view, a variant of the argument, going back as far as Tom Burns and G. M. Stalker (1961; see also Lawrence and Lorsch 1967), that organizations in stable environments do better with hierarchical structures, and those in changing environments with flat ones. In this view, innovation is likely to be more associated with good overall performance in firms than in government, on the assumption that given competition among

11. By analogy to theories in evolutionary biology.

firms, change in the environments in which most firms operate is likely in general to be greater than what is typical for government organizations.

Rules, Bureaucracy, and Performance

I share the worries in the Kennedy School school literature concerning government's being excessively rulebound. In fact, though, scholarship on the connection between rules and organizational performance is considerably more ambiguous than the Kennedy School school literature, which is influenced more by pop management gurus than by academic research.

It is true that many scholars studying organization design, going back to the classic work by Robert Merton (1968) on rules and goal displacement, have been worried about the impact of rules on organizational performance. Henry Mintzberg (1979) notes that rules, which express a minimum standard of performance, in reality tend to come to represent a maximum performance standard. Connie Gersick and Richard Hackman (1990, p. 73) worry that, "because behaviors in the group are being executed mostly by rote [in a rulebound environment], there are diminished opportunities for members . . . to grow in competence, skill, and/or perspective."

However, there is also an important strand of organization theory literature (for example, March and Simon 1958; and especially Nelson and Winter 1982) that regards routines—rules or standard operating procedures—as key elements of an organization's capabilities. This is partly because procedures often embody accumulated wisdom about how to perform a task that allows avoidance of a constant reinvention of the wheel and an ability for ordinary people to perform extraordinary tasks—think how the Air Force entrusts the maintenance of incredibly expensive aircraft assets to people with only a high school education, thanks to the detailed maintenance procedures the Air Force has developed. Arthur L. Stinchcombe (2001) argues that rules are helpful when they are both "accurate" and "cognitively economical." In addition, the very mindlessness, to use Langer's (1989) term, with which routines are applied is itself a source of an organization's capabilities (Gersick and Hackman 1990), because they economize on time and energy: "A group need not spend time creating and choosing the behavioral strategy that will guide the work" (p. 71).

Within public administration there is a body of theoretical and empirical work on the nature and consequences of "red tape" (Rainey, Pandey, and Bozeman 1995; Bozeman and Scott 1996; Bozeman 2000; Pandey and Scott 2002; Pandey, Coursey, and Moynihan 2007). Something of a consensus has developed in this literature to distinguish "red tape" from the older organization theory concept of "formalization," where the latter simply reflects the extent to which rules determine the content of a job and the former refers to a subset of

rules that "entail a compliance burden but have no efficacy for the rules' functional object" (Rainey, Pandey, and Bozeman 1995, p. 567). In factor analyses (Pandey and Scott 2002), the two dimensions are distinct. One study (Pandey, Coursey, and Moynihan 2007) found that respondent perceptions of a high volume of "red tape" (conceptualized as worthless personnel rules) correlated with perceived poor organizational effectiveness.[12] There is no corresponding study of the impact of formalization on organizational effectiveness, but Leisha DeHart-Davis and Sanjay Pandey (2005) do find that high perceived formalization at the organization level is associated with increased job satisfaction, organizational commitment, and job involvement at the employee level.

This suggests a distinction between situations where rules are a source of organizational capability (presumably because of the nature of the work or the organization's environment) and those where they aren't (probably where the rules embody constraints rather than goals).

The connection between rules, and especially hierarchy, and *innovation* is less controversial in the broader literature than the bigger question of the connection between rules and overall organizational performance. In the economics of organization literature, Raaj Kumar Sah and Joseph Stiglitz (1986) present in formal terms the intuition that if there are agents with the ability to decide to go ahead with a project (what they call "polyarchy"), more projects—both good and bad—will be approved than if agents must get their projects authorized by a higher level of review (what they call hierarchy). Edward Lazear (1998, chapter 16) makes a similar point, noting that the choice between these two forms "depends on the costs of rejecting good projects relative to the costs of accepting poor ones. . . . Fewer bad projects are accepted by the hierarchical firm, but more good projects are rejected" (pp. 453, 455). This is a useful, more formalized way of thinking both about why government tends to be more hierarchical than firms (avoiding the bad is considered more important than achieving the good) and also about the consequences of the choice for innovation; indeed, these arguments express in formal terms the gist of Theodore Roosevelt's words, noted earlier in this chapter.

This is also the conclusion of the organization-theory literature. Merton, in his essay on goal displacement, argues that people can gradually come to see following a rule as a goal in itself rather than a means to a goal, and thus resist rule change. Mintzberg (1979) notes, "An organization cannot put blinders on its personnel and then expect peripheral vision" (p. 346); Mintzberg's observation

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12. This finding is not meaningless, in that it is certainly in principle possible that red tape might conceivably be annoying but not reduce organizational effectiveness, though the study is potentially marred by problems of common method variance since information about both the dependent and predictor variables came from the same respondents. However, the authors are admirably sensitive to this issue and took steps to try to deal with it.

about rules coming to embody a maximum level of performance would also suggest they hurt innovation, since innovating involves going beyond minimum job requirements. The organization ecology school, founded by Michael Hannan and Steven Freeman (1984), argues that "structural inertia" coming from rules makes it very difficult for existing organizations to adapt to environmental change; change, these authors argue, comes from organizational turnover (old organizations go out of business when environments change) rather than organizational renewal.

Engaging in innovation may be seen as an example of what in the organizational behavior literature (for example, Organ and others 2006) is called "organization citizenship behavior," that is, employee efforts going beyond job requirements (for an application of this construct to innovation behavior, see Kelman 2006). The empirical literature on what job features are associated with organizational citizenship behavior (Organ and others 2006, chapter 5) suggests that greater task autonomy increases organizational citizenship behavior, so that, inversely, a rulebound environment discourages it.

One classic view in the literature (Burns and Stalker 1961; Lawrence and Lorsch 1967) takes a contingency approach: organizations with clear technology and little-changing environments are well served by rules, whereas those with an unpredictable and rapidly changing environment, where innovation is more important, are more poorly served by rules. One may also argue that just as there is a trade-off between exploitative and exploratory learning, there is also a trade-off between the ability of rules and routines to create static capabilities and the resistance to innovation that they engender.[13] In the case of the exploitation-exploration conflict, and to the extent that rules create organizational capabilities, there may exist a trade-off between promotion of the good performance of the organization's ongoing work and innovation.

There is some limited empirical evidence on the question of the relationship between innovativeness and overall performance in a public-sector context, mostly coming out of the research group centered at Cardiff University and Warwick University in the United Kingdom. Both Rhys Andrews and others (2005) and Kenneth Meier and others (2007) examine the impact of different strategic orientations by top management on organizational performance. The first paper compares English local government organizations that they describe as "prospectors" (local authorities identifying themselves as being "at

13. Even here, however, James March, Schulz, and Zhou (2000) argue, and provide empirical evidence for, the proposition that rules evolve over time in response to organizational learning. Martha Feldman (2000; see also Feldman and Pentland 2003; Stinchcombe 2001) argues both that routines give agents more freedom to pick and choose about how they are actually performed than often seen, and also that purposive, mindful agents (though she doesn't use the latter word) engage in a dialogue with existing routines, producing modifications in them over time.

the forefront of innovative approaches") and "reactors" (those identifying them-selves as primarily responding to pressure from outside auditors and evaluators). The authors find that prospectors have better average performance than reac-tors, as measured by U.K. Audit Commission ratings of overall local authority performance.[14] By contrast, in the second study, which used Texas school stan-dardized test scores as the dependent variable, superintendents classified as "defenders" (operationalized as those who concentrated on improving test scores as a priority) did better than prospectors (operationalized with a slightly different question than in the Andrews study, agreeing with the statement, "A superintendent should advocate major changes in school policies"). The authors use this to conclude that when what is at stake is reliable delivery of a basic tech-nology, a defender strategy may produce better performance than an innovator strategy.[15] One way of interpreting the results of Erin Withers and Jean Hartley (2007) is that they suggest that more innovative local governments in the United Kingdom generally show greater performance improvement over time than less innovative ones (although these results need to be interpreted with caution because of a number of methodological issues).

Public Service Motivation, Creativity, and Organizational Performance Improvement

As noted earlier, the Kennedy School school literature often presents a sense of commitment to an organization's mission as an important motivator for inno-vative behavior that can counteract disincentives for innovation in the public sector. This commitment is generally referred to in the public administration literature as "public service motivation" (for example, Perry and Wise 1990; Crewson 1997); it is a subset of what in the psychology and organization studies literature is referred to as "intrinsic motivation" (see Deci and Ryan 1985; Deci and others 1999; Frey and Oberholzer-Gee 1997). In addition to the effect of public service motivation postulated in the Kennedy School school literature, one may imagine other effects: on overall individual performance in public organizations, and on creativity, independent of its role in counteracting inno-vation disincentives specific to a government context.

14. These results may be partly endogenous—organizations that perform well may develop the self-confidence to innovate.

15. Here as well there are grounds for caution about these conclusions. Partly, there again may be issues of endogeneity (people whose schools are performing well on the standardized tests may more likely emphasize them, since they are performing well on that dimension; high scores on the "prospector" measure in this study—"advocating changes" rather than "being at the forefront," in the earlier study—may occur because poor performance on the tests causes a superintendent to "advocate" policy changes. Also, it perhaps should not be surprising that those who report focusing on school test scores obtain better test scores for their schools than those who don't.

There is very limited empirical research on the connection between an individual's public service motivation and the individual's overall performance. In regression analyses with a number of control variables, both Katherine Naff and John Crum (1999) and Pablo Alonso and Gregory Lewis (2001), using the same dataset, found that high public service motivation was associated with an employee receiving a higher performance evaluation, although endogeneity might be a problem for these results (people develop a greater public service motivation when they get good performance appraisals).[16] Gene Brewer and Sally Selden (1998) found that public employees with high "regard for the public interest" were more likely to report wasteful or illegal activities they observed than those with low regard, but the measure of "regard for the public interest" was so closely tied to the specifics of motivation to report wasteful or illegal activities (rather than a broader construct) that the value of the findings is reduced. By far the most interesting paper on this issue—partly because its experimental design precludes concerns about endogeneity and partly because of how dramatic the results are—is by Adam Grant (2008, forthcoming), which finds that modest manipulations in a field experimental situation (involving over-the-telephone fundraisers for a university scholarship) of the salience of how one's work helps others produced very dramatic performance improvements.

However, there is more evidence, though not specifically in a public-sector context, about the relationship between intrinsic motivation and creativity. Particularly relevant here is Teresa Amabile's work on creativity in the work environment (1996), finding that intrinsic motivation encourages creativity, whereas many, though not all, uses of extrinsic rewards may discourage it—although, in the manner of exploitative versus exploratory learning (terms Amabile does not use), extrinsic rewards encourage better performance at existing tasks. The empirical literature (Organ and others 2006) also suggests that the more that job tasks are intrinsically significant or intrinsically satisfying, the higher the organization citizenship behavior. Kelman (2006) found that the "change vanguard"—the earliest supporters of organizational change in government organizations—were more likely to characterize themselves as idealists than other respondents. Following Amabile, the benefits of public service motivation would not simply be that they encourage public officials to slog on despite the incentives against innovation in the system (which is how one might characterize the perspective in the Kennedy School literature), but also that it promotes creativity directly.

If public service motivation is an important spur to innovativeness, especially in an environment with many disincentives to innovation, then the role

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16. Also, Alonso and Lewis did not find this effect using a different dataset, with somewhat different and arguably inferior questions used to measure public service motivation.

of public managers and leaders in encouraging and nurturing such motivation becomes an important tool for increasing innovation in government. This suggestion ties in to a strand in leadership studies originating with Philip Selznick (1957). Selznick argued that one of a leader's main roles was to articulate an appealing organizational vision. Leaders should "state, in the language of uplift and idealism, what is distinctive about the aims and methods of the enterprise. Successful institutions are usually able to fill in the formula, 'What we are proud of around here is . . .'" (p. 151). A rekindling of interest in a value-infusion role for leaders occurred during the 1980s and 1990s. John Kotter (1990; see also Burns 1978) refers to one of a leader's roles as "motivating and inspiring": leaders should work to satisfy "very basic human needs for achievement, belonging, recognition, self-esteem, a sense of control over one's life, living up to one's ideals, etc." Kotter even distinguishes "leaders" from "managers" significantly on this basis. Weick (quoted in Pfeffer 1992, p. 284) suggested that "the appropriate role for the manager may be evangelist rather than accountant."

Crisis, "Burning Platforms," and Organizational Improvement

The Kennedy School literature contains a number of fairly casual suggestions that organizational crisis promotes innovation (or, more broadly, organizational change). This is also a common proposition in pop-management business literature on organizational change (Kotter 1996; Hammer and Stanton 1995). Since change is painful, the argument goes, leaders and employees must understand there is no alternative. As often expressed in consultants' slide shows, getting people to accept change requires a "burning platform"—from a story about what it took to rouse workers on a North Sea oil rig from complacency.

This argument receives a scholarly formulation in Richard Cyert and James March's theory of problemistic search, presented in *A Behavioral Theory of the Firm* (1963, pp. 120–22). Cyert and March argue that search is "problemistic": absent problems, little motivation to change exists. People look for new solutions when current ones aren't working.

This view is controversial, however; in the scholarly literature on corporate downsizing—a form of organizational crisis—many (for example, Ocasio 1995) maintain that crisis *inhibits* organizational change. The most important argument for this counterassertion grows out of the theory of "threat rigidity" (Staw and others 1981), according to which people faced with crisis tend to fall back on familiar behavioral responses rather than seeking out new ones. Barry Staw and others base their argument on psychological research suggesting that "when placed in a threat situation, an individual's most well-learned or dominant response may be emitted" (p. 502). This is advantageous in situations where heightened energy in applying traditional methods is the appropriate response.

But where crisis requires changed behavior, threat rigidity decreases the likelihood of an appropriate response. In this view, necessity serves not as the mother of invention but as the mother of rigidity (Mone and others 1998). A related argument is that time and workload pressures, which grow in crisis situations, inhibit creativity by reducing freedom and exploration (Amabile 1996; Amabile and others 1996).

Kelman (2006) examined this question empirically in a government context, looking at the impact of two kinds of crises in the procurement system in the 1990s (workforce downsizing and the advent of competition for organizations previously enjoying a customer monopoly) on the degree of organizational change at the individual employee level. He found that a problemistic-search response dominated a threat-rigidity response, but in the specific case of downsizing as an organization crisis, this response was canceled out by the negative effects on behavioral change of employee resentment of a perceived violation of a "social contract at work" between employee and employer.

Future Research Directions

What might be fruitful research directions, both substantively and methodologically, in this area? Substantively, for most of the topics discussed in this chapter, we need more and better evidence than we have. Specifically, we need to know more about the impacts, in different kinds of task situations, of different organizational design and leadership practices on performance and innovation, such as different ruleboundedness, hierarchy, and accountability regimes. Because of the growing importance of cross-boundary work across government organizations, and between government organizations and private and non-profit ones—itself an innovation in government, as Borins's discussion of award winners notes—we need to know much more than we do about the conditions under which such innovations can be made to work. More broadly, we need to know more about what specific management and leadership practices are associated with the success of different categories of innovations.

Methodologically, public management research in general and public-sector innovation research in particular should begin to make much greater use of laboratory studies, with civil servants rather than college sophomores as subjects, if possible. This is one of the most important research methodologies in mainstream organization studies research, but has been essentially absent from the public management field. One frequently used method for inducing variation among subjects in a lab setting is to prime subjects to think about different kinds of situations they face (Aronson and others 1990; for an example, see Galinsky, Gruenfeld, and Magee 2003). One can imagine this method being applied to many performance and innovation research questions. One could, for

example, use lab methods to test the impacts of different ruleboundedness, hierarchy, and accountability regimes. I know of only one study that attempts to do anything like this, Patrick G. Scott and Sanjay K. Pandey (2000). The results of the manipulation were fairly predictable: the more forms a person had to fill out to grant a potential welfare client assistance, the less assistance he or she granted (though there was an interesting interaction effect where the effect of the forms was much less for "worthy" clients). One might also use experimental methods to examine the impacts of public service motivation on performance and innovation, either field experiments such as the Grant paper (2008, forthcoming) discussed earlier or lab experiments that induce variations in public service motivation.

Regarding methodology, too, public management research needs to go beyond the first generation of quantitative studies—which have now, happily, come to play a greater role in the field's research output—to quantitative work that is more sophisticated methodologically. Too much regression-based work on public management has used survey respondent self-reports of some aspect of the organization's performance as the dependent variable, while gathering information about predictor variables using self-reports from the same survey, creating the problem of common-method bias that exaggerates relationships because of response-set problems (Salancik and Pfeffer 1978; Boyne and others 2005). Furthermore, much regression-based research in public management, based on cross-sectional analysis of data, suffers from potential endogeneity problems: the direction of causation is unclear—did the hypothesized cause produce the state of the world we are trying to explain, or did the state of the world produce the hypothesized cause? (An example: If we find, using cross-sectional data, that organizations where employees are treated well perform better than those whose employees are not treated well, is this because good treatment leads to better performance or because well-performing organizations can afford to treat employees well?) There are ways to use cross-sectional data to try to deal with such problems, but they have seldom been used in public management research. One should also look for opportunities to do quantitative research involving innovation and performance in specific public service areas where there are large numbers of units producing the public service in question and where there are good performance data, most obviously schools, police forces, and job-creation programs; the strongest research on public organization performance tends to be of this type (for example, Levin 1998; Heinrich 2000).

Additionally, as noted from the beginning of this chapter, studies of what causes innovations to succeed, whether they be large-N quantitative studies or even smaller-sample thicker cases, must include innovation failures as well as successes. As tempting as research based only on award winners is (and, to be sure, it is also so much easier in terms of locating examples), it has inevitable,

and nearly fatal, methodological limitations. Finally, the field might explore the utility of computer simulations for testing hypotheses about organizational performance and innovation (Davis, Eisenhardt, and Bingham 2007), though this is a domain I know less well.

It would be nice if, during the next twenty years, the Kennedy School, having pioneered an important turn in scholarly thinking about public management, could be in the forefront of emerging efforts to put public management research on a sounder footing of evidence and method, and thus be better able to serve the public sector with results that might further the aims this tradition so boldly announced.